Federal Communications Commission Washington, D.C. 20554

DA 07-12 Released: January 4, 2007

New Age Media of Pennsylvania License, LLC c/o Sally Buckman, Esq. Levanthal Senter & Lerman PLLC 2000 K Street, NW, Suite 600 Washington, DC 20006-1809

Re: Applications for Assignment of Licenses

WOLF-TV, Hazleton, Pennsylvania; Fac. ID No. 73375 WQMY(TV), Williamsport, Pennsylvania; Fac. ID No. 52075

W24DB, Sayre, Pennsylvania, Fac. ID No. 52077

File Nos. BALCT-20060825ADM-ADO

Request for Continuing Satellite Authorization WQMY(TV), Williamsport, Pennsylvania

Dear Counsel:

This is in reference to the above-captioned applications for the assignment of licenses from Pegasus Broadcast Associates, L.P. and WOLF License Corp. to New Age Media of Pennsylvania License, LLC ("Assignee"). As part of this transaction, the Assignee requests continuing satellite authority for WQMY(TV), Williamsport, Pennsylvania, which operates as a satellite of WOLF-TV, Hazleton, Pennsylvania, pursuant to the satellite exemption to the duopoly rule. *See* 47 C.F.R. § 73.3555, Note 5. Both stations are located within the Wilkes Barre-Scranton, Pennsylvania DMA.

In *Television Satellite Stations*, 6 FCC Rcd 4212, 4215 (1991) (subsequent citations omitted), the Commission established the requirement that all applicants seeking to transfer or assign satellite stations justify continued satellite status by demonstrating compliance with a three-part "presumptive" satellite exemption standard applicable to new satellite stations. The presumptive satellite exemption is met if the following three public interest criteria are satisfied: (1) there is no City Grade overlap between the parent and the satellite; (2) the satellite would provide service to an underserved area; and (3) no alternative operator is ready and able to construct or to purchase and operate the satellite as a full-service station. *Id.* at 4213-14. If an applicant does not qualify for the presumption, the Commission will evaluate the proposal on an *ad hoc* basis, and grant the application if there are compelling circumstances that warrant approval. *Id.* at 4212.

As an initial matter, WQMY(TV) has operated as a satellite of WOLF-TV since 1993. Regarding the first criterion, the Assignee has submitted an engineering study, which demonstrates that there is no City Grade contour overlap between WQMY(TV) and WOLF-TV. Thus, the proposed satellite operation meets the first component of the presumption. With respect to the second criterion, applicants can use two different tests to demonstrate that an area is underserved. Under the "transmission test" a proposed

satellite community of license is considered underserved if there are two or fewer television stations already licensed to it. *Id.* at 4215. The Assignee asserts that WQMY(TV) is the only full-service television station licensed to Williamsport, Pennsylvania. Accordingly, Williamsport qualifies as an underserved area, thereby satisfying the second component of the presumption.

Regarding the third criterion, an applicant must show that no alternative operator is ready and able to construct, or to purchase and operate, the proposed satellite as a full-service station. *Id.* Initially, we note that the Assignee does not base its satisfaction of the third criterion on efforts to sell station WQMY(TV). In support of the continuing waiver request, the Assignee submits a letter from Brian E. Cobb, President of CobbCorp., a media brokerage and merchant banking firm specializing in television transactions. Mr. Cobb states that over the past nineteen years, he has been involved in the brokerage of numerous television stations.

Mr. Cobb avers that WQMY(TV) would not be financially viable as a stand-alone station. He explains that although the Wilkes Barre-Scranton television market is ranked fifty-fourth by Nielsen, the estimated television revenue rank is seventy-third according to BIA. Moreover, he states that WQMY(TV) fails to cover either Wilkes Barrre or Scranton, the most populated communities in the market, with a city grade signal. The remainder of the market's population is scattered among several small communities. Mr. Cobb indicates that the market is composed of six full power commercial competitors. In his view, WQMY(TV) would be unable to compete with other stations without satellite status. He avers that the four major competitors are affiliated with the main networks. Mr. Cobb notes that WQMY(TV) will be broadcasting programming from My Network TV, a new start-up network, with no established ratings.

Although WQMY(TV) offers independent programming from WOLF-TV, in Mr. Cobb's opinion the station would not be financially viable without the ability to limit operating expenses by sharing services and personnel with the parent station. In addition, Mr. Cobb indicates that if asked to list this station as a stand-alone facility, he would be reluctant to do so. Mr. Cobb asserts that while WQMY(TV) as a satellite supplies much needed programming to the market's sparsely populated outlying areas, without a big four network affiliation or shared services with WOLF-TV, it could not be expected to continue to offer independent programming. Furthermore, he states that WQMY(TV) provides free over the air service to outlying communities, which otherwise would be deprived of such service because they could not economically support and sustain a stand-alone station.

Based on our review of the materials submitted, we find that the Assignee has set forth information sufficient to warrant continued satellite operation for WQMY(TV) under our *ad hoc* analysis. Station WQMY(TV) has operated as a satellite of station WOLF-TV the past thirteen years, and the Assignee has submitted further evidence demonstrating the infeasibility of finding a purchaser willing to operate the station on a stand-alone basis. We, therefore, find that the continued operation of WQMY(TV) as a satellite of WOLF-TV would be in the public interest. In view of the foregoing, and having determined that the Assignee is qualified in all respects, we find that a grant of the above-referenced application would serve the public interest, convenience and necessity.

ACCORDINGLY, the request of New Age Media of Pennsylvania License, LLC for the continued operation of WQMY(TV), Williamsport, Pennsylvania, pursuant to the satellite exception to the duopoly rule, Section 73.3555, Note 5, of the Commission's rules, **IS GRANTED**.

FURTHERMORE, the above-referenced applications for consent to assign the licenses for WOLF-TV, Hazleton, Pennsylvania, WQMY(TV), Williamsport, Pennsylvania, and W24DB, Sayre, Pennsylvania to New Age Media of Pennsylvania License, LLC **ARE GRANTED**.

Sincerely,

Barbara A. Kreisman Chief, Video Division Media Bureau